From: Bob Sussman
To: Michael Overbay

Cc: Fred Hauchman; Jeanne Briskin; Lek Kadeli; Mary Hanley; Ramona Trovato; Cynthia Sonich-Mullin; Ralph

Ludwig; David Jewett; Wren Stenger; William Honker; Sam Coleman; Layla Mansuri; Stephen Hess; Doug

Beak; Susan Mravik

**Subject:** Re: Fw: Meeting tomorrow. **Date:** 07/30/2012 06:47 PM

Thanks so much Mike, for this very helpful update.

## (b) (5)

Robert M. Sussman Senior Policy Counsel to the Administrator Office of the Administrator US Environmental Protection Agency

▼ Michael Overbay---07/30/2012 04:35:09 PM---Hi Bob, I spoke with Jeanne this afternoon, and she asked me to send you some bullets updating you o

From: Michael Overbay/R6/USEPA/US To: Bob Sussman/DC/USEPA/US@EPA

Cc: Fred Hauchman/DC/USEPA/US@EPA, Jeanne

Briskin/DC/USEPA/US@EPA, Lek Kadeli/DC/USEPA/US@EPA, Mary Hanley/DC/USEPA/US@EPA, Ramona Trovato/DC/USEPA/US@EPA, Cynthia Sonich-Mullin/CI/USEPA/US@EPA, Ralph Ludwig/ADA/USEPA/US@EPA, David Jewett/ADA/USEPA/US@EPA, Wren Stenger/R6/USEPA/US@EPA, William Honker/R6/USEPA/US@EPA, Sam Coleman/R6/USEPA/US@EPA, Layla Mansuri/R6/USEPA/US@EPA, Stephen Hess/DC/USEPA/US@EPA, Doug Beak/ADA/USEPA/US@EPA, Susan Mravik/ADA/USEPA/US@EPA, Mary

Hanley/DC/USEPA/US@EPA
Date: 07/30/2012 04:35 PM
Subject: Re: Fw: Meeting tomorrow.

Hi Bob,

I spoke with Jeanne this afternoon, and she asked me to send you some bullets updating you on the prospective case study with Chesapeake.

- prime contractor has the necessary insurance in place, but will have to get their policy modified to list CHK as an "additional insured" and to provide the requested subrogation language. Our prime contractor said this is not a problem and can be done in a few weeks once we resolve to move forward.
  - The request for proposals for the drilling subcontractor will have to include a spec that they get \$10 million in liability insurance. They can do that, but it will cost us \$20-25K.
- The CHK request for well control insurance is unresolved. CHK
  had estimated that our drilling subcontractor could purchase
  this insurance for \$3K + tax. Our prime contractor informed
  me today it is not normally sold to anyone but the well owner,
  and that IF we can get the sub to purchase it, it is likely to
  cost us \$25K. I have sent an email to John Satterfield today

- asking them if the well control insurance is a "must have" for them. No reply as of yet.
- Total additional cost to the project for insurance: \$45-50K
- A draft access agreement has been shared and revised several times. Last Friday afternoon I sent them the latest version, which included language that says we will require our drilling subcontractor to provide both \$10 million in liability insurance and the well control insurance, subject to approval by EPA management. (That was before the \$25K quote).
- On the subject of continuity of access should CHK sell this property or itself be taken over by another company, Steve Hess, Susan Mravik and I had a call with John Satterfield and Bob Costello (CHK's senior counsel) on Friday afternoon. They are willing to add language to the access agreement to document the intent, (b) (5)
- You had asked me to check with our other interested company about were they still interested in participating in a prospective case study should we decide to do that. The answer is yes.

I will be in Ada tomorrow and will call in from there.

Michael Overbay, P.G. Regional Ground Water Center Coordinator U.S. Environmental Protection Agency - Region 6 (214)665-6482 (214)665-2191 (FAX)

▼ Bob Sussman---07/30/2012 01:05:48 PM---I wanted to make sure we're ready for tomorrow's meeting with Chesapeake. Paul wants to focus on the

From: Bob Sussman/DC/USEPA/US
To: Jeanne Briskin/DC/USEPA/US@EPA, Ramona
Trovato/DC/USEPA/US@EPA, Lek Kadeli/DC/USEPA/US@EPA, Fred
Hauchman/DC/USEPA/US@EPA, Michael Overbay/R6/USEPA/US@EPA

Cc: Mary Hanley/DC/USEPA/US@EPA Date: 07/30/2012 01:05 PM

Date: 07/30/2012 01:05 PM Subject: Fw: Meeting tomorrow.

I wanted to make sure we're ready for tomorrow's meeting with Chesapeake. Paul wants to focus on the studies that Chesapeake has conducted of the two

Pennsylvania sites (Which include a retrospective case study site). Ibelieve we previously received reports of these studies and Paul will presume some familiarity with the issues.

He will also want to know where we are in resolving the access and indemnification issues for the prospective case studies. I haven't heard anything more about the open issues and would appreciate an update before tomorrow's meeting.

If there's anyone else who should be invited to tomorrow's meeting, please work with Mary and Don to make sure they get an invite.

Thanks.

Robert M. Sussman
Senior Policy Counsel to the Administrator
Office of the Administrator
US Environmental Protection Agency
----- Forwarded by Bob Sussman/DC/USEPA/US on 07/30/2012 02:00 PM -----

From: Paul Hagemeier <paul.hagemeier@chk.com>

To: Bob Sussman/DC/USEPA/US@EPA

Cc: John Satterfield < john.satterfield@chk.com > , Donald

Maddox/DC/USEPA/US@EPA
Date: 07/30/2012 10:54 AM
Subject: Meeting tomorrow.

Bob – wanted to get a quick read on your agenda for tomorrow's meeting.

We are currently planning to answer questions on methodology and findings from these two studies. We plan to answer questions at a fairly high level, but wanted to find out what depth you or your team might want to get into. They have had these reports for some time, so they may have questions that we can cover.

I believe that we have covered the access and contract issues, but would be happy to address that or any other issues you care to discuss.

Thank you,
Paul Hagemeier
Vice President - Regulatory Compliance
Chesapeake Energy Corporation

Office: (405) 935-4014 Fax: (405) 849-4014

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